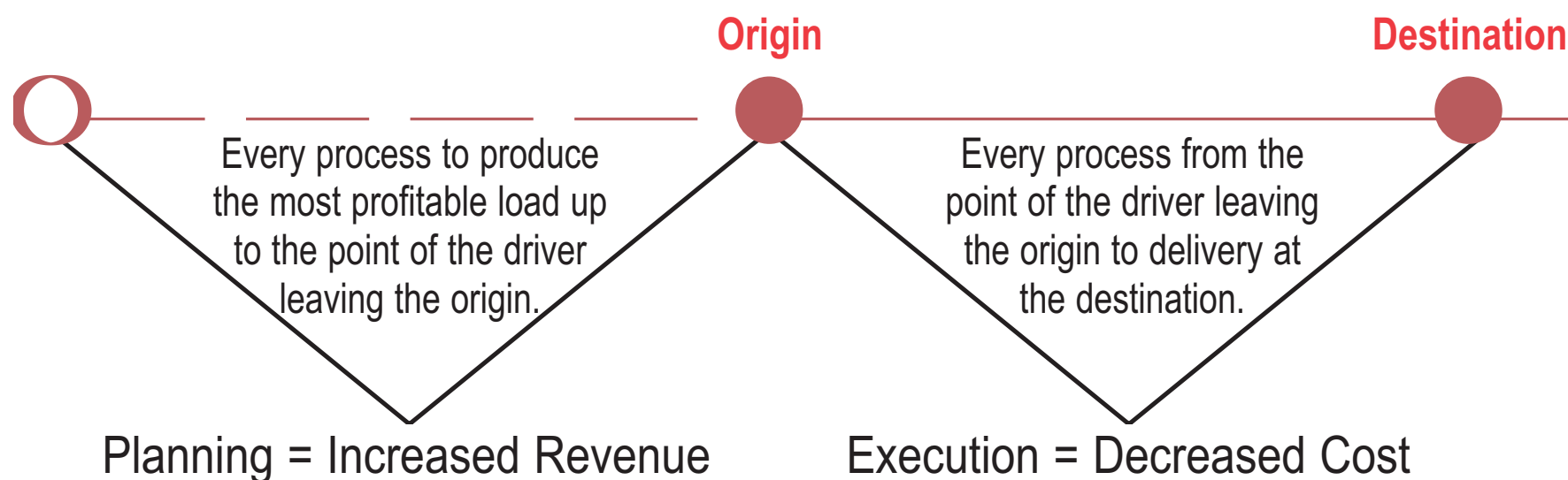


# The 2004 Transport Topics



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# Private Fleet Managers Split on Strategies Last Year

## Tighter For-Hire Market Tempts Some to Rev Up In-House Trucking Capacity

By Daniel P. Bearth  
Senior Features Writer

Managers at many of the largest U.S. and Canadian private fleets operated under vastly different strategies in 2003, with about one-fifth of them increasing their stable of heavy-duty tractors by at least 50 power units and a similar number heading in the opposite direction and switching more business to for-hire fleets.

The companies on the 2004 TRANSPORT TOPICS 100 Top Private Carriers list that cut fleet size — including grocer Ahold USA, which slashed its count of tractors and straight trucks by almost 3,000 and still managed to rank No. 3 — followed in what has been the industry's long-term trend. For more than 10 years, shippers have been slowly getting rid of trucks and outsourcing transportation to lower-cost contract and for-hire carriers.

However, a number of companies bucked that trend, some as a result of corporate rearrangement through mergers and spinoffs. For others, higher rates charged by for-hire truckers and a shortfall in hauling capacity forced shippers to expand in-house in order to meet their needs.

Twenty-four of these 100 corporations added to or decreased their fleet size by 100 or more Class 8 tractors over the past year. Another 17 companies made substantial, but less dramatic, fleet size adjustments of 50 to 99 tractors. Of those 41 fleets combined, 21 made additions last year and 20 made cuts.

"Right now, there is support for bringing [trucking] back in-house. That's a major change in the market," said Matt Ehlinger, director of corporate transportation for chemical manufacturer NCH Corp., in offering the case for expansion.

Ehlinger said he expected shippers to begin building in-house trucking capacity in earnest if market conditions did not improve in "a few more months." He doubted, though, that it would result in a long-term shift away from outsourcing.

Forest-products manufacturer



Weyerhaeuser Co. said that while outsourcing has been successful in recent years, it is now considering building up its in-house trucking operations. Here, one of its forklift drivers tags a unit of pallet boards.

Weyerhaeuser Co. began to shift freight to outside carriers in 1990 as a way to lower costs and reduce the risks associated with running a truck fleet.

For the first time in more than a decade, though, the Tacoma, Wash., company, No. 28 on the list, is considering adding to its fleet to keep up with the demand for its logs, lumber and paper products.

"We are reviewing a proposal to increase the size of our private fleet," said Donald Trantham, the company's manager of transportation safety. "The strategy of outsourcing has been successful, but it's not working in this environment."

Integrus Metals, one of the nation's largest distributors of

metals and No. 82 on this year's TT 100 list, has also been feeling the pressure to expand its in-house operations.

"We have 20 loads sitting that we've been unable to move for two or three days," Rollie Mueller, corporate manager of transportation and distribution for Integrus, said in a June telephone interview.

Mueller said he had paid "in excess of \$2 a mile" for flatbed truckload service, but "even paying a higher price in many cases doesn't entice [carriers]" because of a shortage of truck drivers and the loss of capacity in the flatbed sector.

Corporate restructuring by parent companies has also had a sizeable effect on private fleets. Poul-

try producer Pilgrim's Pride Corp. boosted its fleet size from 653 tractors in 2002 to 1,158 in 2003, in part because of the purchase of ConAgra's chicken division in November 2003.

Georgia-Pacific's decision to sell off its building products business cut two ways. GP's own tractor count dropped by more than two-thirds from 1,276 in 2002 to just 400 last year, but it also created a new company in the process: BlueLinx Corp., a fleet of 900 tractors.

Interest in growing private fleets is also reflected in the fact that membership and participation in the National Private Truck Council

are rebounding after several years of decline.

In a show of hands at a meeting of the NPTC's Heavy-Duty Division in May, three out of four fleet managers indicated that they expected to expand their fleets sometime in the next three years.

Gary Petty, the council's president, said the growth was being driven by rising costs for dedicated and for-hire trucking services. For many companies, he said, "the cost per mile [for the private fleet] is demonstratively lower than paying for dedicated service."

(See MARKET, p. 17)

### Market Shares by Volume, Revenue

#### Annual Tonnage Hauled by For-Hire and Private Motor Carriers (in millions)

	2003		2009		2015	
	Actual	Percentage	Estimates	Percentage	Estimates	Percentage
Truckload	4,314	47.6%	5,076	48.0%	5,886	48.5%
Less-Than-Truckload	129	1.4%	156	1.5%	184	1.5%
Private Fleets	4,618	51.0%	5,332	50.5%	6,071	50.0%

#### Annual Revenue Generated by For-Hire and Private Motor Carriers (in billions)

	2003		2009		2015	
	Actual	Percentage	Estimates	Percentage	Estimates	Percentage
Truckload	\$270	44.2%	\$345	43.1%	\$436	41.5%
Less-Than-Truckload	62	10.1%	90	11.3%	125	11.9%
Private Fleets	279	45.7%	365	45.6%	489	46.6%

Source: American Trucking Associations' "U.S. Freight Transportation Forecast to 2015"

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### Acknowledgements and Sources

The 2004 TRANSPORT TOPICS 100 Private Carriers is a special project of the TT Publishing Group. It features a listing of the largest private carriers in the United States and Canada, based on the number of owned or leased heavy-duty tractors. Data were compiled from a variety of sources, including interviews with company officials, American Trucking Associations' Truck Fleet Directory and the Federal Motor Carrier Safety Administration.

Senior Features Writer Daniel P. Bearth was the project coordinator, assisted by Shivram Vaideeswaran and the National Private Truck Council. The design is by Patrick Donlon, assistant director of art & production.

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# Grocers Enter Logistics Business

By Daniel P. Bearth  
Senior Features Writer

While private fleets have long participated in the for-hire trucking market by seeking backhauls, a number of grocers and other companies with large private fleets are now offering logistics services as well.

Grocer Supervalu Inc. is once company that is turning its in-house distribution expertise into an outsourcing business opportunity.

In late 2002, Supervalu hired Richard Finkbeiner, a former marketing and sales executive with Versacold Corp. in Toronto and Vancouver and senior vice president for CS Integrated, to head up a new business unit called Advantage Logistics.

As a non-asset-based company, Advantage owns neither trucks nor inventory. Instead, said spokeswoman Lynne High, the company makes transportation more efficient by combining shipments from multiple customers and through the use of warehouse management and product-tracking technologies.

Advantage operates a regional replenishment hub, for instance, to store and distribute slower-selling products.

"Typically, 20% of retail products account for 80% of in-store sales," High said. "Replenishment of these items is primarily in full truckload quantities. The expertise of Advantage Logistics is in the movement of the other units — the 80% of product that account for 20% of sales — and the majority of distribution inefficiencies."

A review of the 2004 TRANSPORT TOPICS Private 100 list of the largest U.S. and Canadian private fleets shows that other companies provide similar logistics services. McLane Co., for example, offers supply chain consulting and transportation management services to restaurants and food-service companies through Vantix Logistics.

Grocery retailers Ahold USA and Safeway provide home delivery services through separate companies. Ahold owns Peapod Inc. and Safeway owns GroceryWorks.com.

Many other companies provide freight-hauling services through trucking subsidiaries. The list includes PBX Inc. (a part of Tyson Foods); Ashley Distribution Services (Ashley Furniture); ADM Trucking (Archer Daniels Midland); Rinker Transport, New Line Transport and Tri-State Carriers (Rinker Materials); Savage Services Corp. (Savage Cos.); Emerson Transportation (Emerson Electric Co.); Perdue Transportation (Perdue Farms); and Batesville Logistics (Batesville Casket Co.).

Based in Minneapolis, Supervalu's regular business is operating about 1,500 supermarkets in 39 states. It also wholesales groceries and other goods to more than 3,200 stores through 24 distribution centers. Supervalu ranks No. 21 on the TT Private 100.

Since establishing Advantage,

the company has acquired "five or six" customers, according to High, including operating grocery distribution centers in Phoenix, Denver and Livonia, Mich., for the Kroger Co., and distribution centers in Atlanta and Aurora, Colo., for Atkins Nutritionals.

"We're really looking at providing service to any kind of company, manufacturing or retail," she said.

**Supervalu operates 24 wholesale distribution centers like this one to supply 3,200 stores.**



Supervalu Inc.



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## Transport Topics Top 100 Private Carriers

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- 51 Rinker Materials Corp.
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- 56 NCI Building Systems
- 57 Foamex International
- 58 Savage Cos.
- 59 Bunzl Distribution
- 60 Tru-Serv Corp.
- 61 Sherwin-Williams Co.
- 62 Kraft Foods
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- 65 McKee Foods Corp.
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- 67 CHS Inc.
- 68 Rite Aid Corp.
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- 70 AutoZone Inc.
- 71 Carpenter Co.
- 72 Vulcan Materials
- 73 Bridgestone Americas Holding
- 74 Trinity Industries
- 75 Sanderson Farms
- 76 Hulcher Services
- 77 Emerson Electric Co.
- 78 Johnson Controls
- 79 USFilter Corp.
- 80 Building Materials Holding Corp.
- 81 Toys "R" Us Inc.
- 82 Integris Metals
- 83 Earle M. Jorgensen Co.
- 84 BP Corp. North America
- 85 Hy-Vee Inc.
- 86 Tree of Life
- 87 Huttig Building Products
- 88 Owens-Minor Inc.
- 89 Domino's Pizza
- 90 Associated Wholesale Grocer
- 91 Perdue Farms
- 92 Andersen Corp.
- 93 Dawn Food Products
- 94 ConAgra Foods
- 95 O'Neal Steel
- 96 Griffin Industries
- 97 Wayne Farms
- 98 Grocers Supply Co.
- 99 Batesville Casket Co.
- 100 PPG Industries

# The 2004 Transport Topics

RANK 2003	RANK 2002	COMPANY	EQUIPMENT 2003	ANNUAL SALES
1	1	<b>Sysco Corp.</b> Houston NYSE: SYY William Day, Vice President, Supply Chain Management Gary Cullen, Vice President, Distribution Services   www.sysco.com	7,148 tractors 1,385 straight trucks 9,177 trailers	\$27.5 billion
2	3	<b>Wal-Mart Stores</b> Bentonville, Ark. NYSE: WMT Rollin L. Ford, Executive Vice President of Logistics   www.walmartstores.com	6,300 tractors 38,000 trailers	\$256.3 billion
3	2	<b>Ahold USA</b> Quincy, Mass., and Columbia, Md. (Royal Ahold NV, Netherlands) Jose Alvarez, Executive Vice President, Supply Chain/Retail   www.aholdusa.com www.usfoodservice.com	4,321 tractors and straight trucks	\$44.8 billion
4	4	<b>Tyson Foods</b> Springdale, Ark. NYSE: TSN Donnie Smith, Senior Vice President of Supply Chain Management   Tyson Foods, Inc. www.tyson.com	2,446 tractors 204 straight trucks 5,132 trailers	\$23.4 billion
5	5	<b>McLane Co.</b> Temple, Texas NYSE: BRK.A (Berkshire Hathaway) Robbie Wainwright, Vice President, Logistics and International   www.mclaneco.com	1,925 tractors 2,650 trailers	\$13.7 billion
6	6	<b>The Kroger Co.</b> Cincinnati NYSE: KR William Boehm, Group Vice President, Logistics   www.kroger.com	1,500 tractors 50 straight trucks 7,850 trailers	\$53.8 billion
7	9	<b>Safeway Inc.</b> Pleasanton, Calif NYSE: SWY Tom Narkter, Vice President of Transportation   www.safeway.com	1,250 tractors 4,100 trailers	\$35.5 billion
8	11	<b>Halliburton Co.</b> Houston NYSE: HAL Randall Harris, Fleet Operations Manager   www.halliburton.com	1,242 tractors 1,175 straight trucks 2,096 trailers	\$16.2 billion
9	10	<b>Frito-Lay North America</b> Plano, Texas NYSE: PEP (PepsiCo) Pete Silva, National Director of Fleet Operations   www.frito-lay.com	1,224 tractors 4,057 trailers	\$9.1 billion
10	20	<b>Unisource Worldwide</b> Norcross, Ga. (Bain Capital / Georgia Pacific Corp.) Larry Ahlers, Vice President of Transportation   www.unisourcelink.com	1,209 tractors 1,112 trailers	\$4.8 billion

# 100 *Private Carriers*

## DESCRIPTION OF BUSINESS

Distributes fresh, frozen and specialty meats, seafood, poultry, fruits and vegetables, bakery products, canned and dry foods, paper and disposable products, sanitation items, dairy foods, beverages, kitchen and tabletop equipment, medical and surgical supplies and hotel operating supplies to more than 420,000 customers. The company operates 151 distribution facilities. Business includes assets of Luzo Foodservice acquired in September 2003, foodservice assets of Smart & Final acquired in August 2003 and International Food Group acquired in June 2004.

**The Sygma Network** specializes in delivery of food and supplies to chain restaurants.

**FreshPoint Inc.** specializes in distributing fresh fruits and vegetables, includes acquisition of Overton Distributors in March 2004.

Operates 1,448 discount department stores, 1,506 Supercenters, 538 Sam's Clubs and 67 Neighborhood Markets in the U.S., plus 236 stores in Canada and 641 stores in Mexico. Wal-Mart private fleet distributes goods to stores through 108 Wal-Mart and Sam's Club distribution centers.

Operates approximately 1,615 supermarkets and convenience stores, including Bruno's Supermarkets, BI-LO LLC, Stop & Shop Supermarket Co., Tops Markets, Giant Food (Carlisle, Pa.) and Giant Food (Maryland).

**USFoodservice** distributes food service products to more than 300,000 customers, including restaurants, hotels, healthcare facilities, cafeterias and schools.

**Peapod Inc.** provides home delivery services.

Processes and sells beef, chicken, pork and other food products from 130 production facilities, 11 cold storage warehouses, 10 distribution centers and 37 feed mills in the U.S. and 22 countries, includes operations of IBP Inc., now Tyson Fresh Meats.

**PBX Inc.** is a for-hire refrigerated truckload carrier.

**McLane Grocery Distribution** delivers food and groceries to convenience stores, drug stores, mass merchandisers, wholesale clubs and movie theaters through 18 distribution centers.

**McLane Foodservice** delivers food and service items to quick-service restaurant chains through 18 distribution centers.

**Professional Datasolutions** provides software and point-of-sale automation systems to convenience stores and vendors.

**Salado Sales** develops and distributes private label food products.

**Vantix Logistics** provides supply chain consulting and transportation management.

**Visilinx** provides remote management technology to retailers.

Operates about 2,530 supermarkets and department stores in 32 states, including Kroger, Ralph's, Fred Meyer, Food4Less, King Soopers, Smith's, Fry's and Fry's Marketplace, Dillon's, Quality Food Centers and City Market. The company also operates 445 fine jewelry stores, about 800 convenience stores, 442 supermarket fuel centers and 41 food processing plants.

Operates 1,808 supermarkets and drug stores in the U.S. and western Canada, including Genuardi's Family Markets, The Vons Companies, Dominick's Finer Foods, Carr-Gottstein Foods and Randall's Food Markets. It also produces milk, bread, ice cream, cheese and meat products, soft drinks, fruit and vegetables and pet food at 22 processing plants in the U.S. and 12 in Canada. Safeway has 12 distribution centers in the U.S. and 3 in Canada.

**Casa Ley, S.A. de C.V.** sells food and general merchandise in western Mexico (owns 49% interest).

**GroceryWorks.com** provides Internet and home delivery service.

**Halliburton Energy Services** provides pressure pumping, production enhancement and well drilling and completion services for the oil and gas industry, plus well logging and testing equipment.

**Kellogg Brown & Root** designs and builds liquefied natural gas plants, refining and processing plants, production facilities and pipelines, plus engineering and construction services for governments and civil infrastructure customers.

Manufactures, distributes and sells potato chips, pretzels, popcorn, cookies, onion rings, tortilla chips, cheese-flavored snacks, fruit and granola bars, rice cakes, corn chips, dips and salsa in the U.S. and Canada.

Distributes paper products, packaging materials and maintenance supplies through more than 100 distribution centers.

## Sysco Remains No. 1; Ahold USA, Wal-Mart Swap Spots on List

By Daniel P. Bearth  
Senior Features Writer

The 2004 edition of the TRANSPORT TOPICS 100 list of the largest private fleets reflects a continuing process of change as some companies added to their fleets and others contracted them and then out-sourced transportation to for-hire truckers and contract carriers.

Food-service giant Sysco Corp. retained its No. 1 ranking despite a slight decline in the number of tractors to 7,148 in 2003 compared with 7,199 in 2002. The company also cut its fleet of straight trucks to 1,385 from 1,489, but increased its trailer fleet by more than 400 to 9,177 units.

Ahold USA (No. 2 in 2003), the parent of several large grocery chains as well as restaurant supplier USFood-service, traded places with discount retailer Wal-Mart Stores (No. 3 last year). Dutch-owned Ahold slashed its fleet size by 2,914 tractors and straight trucks while Wal-Mart added 300 tractors and some 8,000 trailers to its expanding private fleet.

Tyson Foods, Shaw Industries and Boise Cascade Corp. all added tractors over the past year in response to increased demand for their products and to partially offset the escalating cost of dedicated contract carriage.

Acquisitions were a factor in the growth of tractor counts at many companies, including poultry producer Pilgrim's Pride and grocery retailer Delhaize Group, while Georgia-Pacific's decision to spin off its building products business created a new company, BlueLinx Corp., with a fleet of nearly 900 tractors (No. 17).

Pilgrim's added 505 tractors during the year, more than any other private fleet on the list.

Meanwhile, outsourcing continued to erode the size of some private fleets. At Ahold USA, for instance, managers farmed out distribution to companies like C&S Wholesale Grocers. The Vermont-based C&S joins the list of top private carriers this year with an estimated 450 tractors, but No. 42. Sears, Roebuck & Co. and Cargill Inc., on the other hand, dropped off the list as both turned over nearly all their freight hauling to outside contractors. Sears had ranked No. 79 in 2003 and Cargill was No. 76.

New names on the TT Private 100 include Army & Air Force Exchange Service (No. 52), truck stop chain and fuel supplier Flying J (No. 66), Savage Cos. (No. 58), Hy-Vee Inc. (No. 85), ConAgra Foods (No. 94), Wayne Farms (No. 97) and PPG Industries (No. 100).

An indication of overall private fleet consolidation is the fact that the threshold for the TT Private 100 this year is 175 Class 8 heavy-duty tractors, compared with 150 a year ago.












The higher threshold pushed Shamrock Foods (No. 96 in 2003), Amerada Hess Corp. (No. 99) and Costco Wholesale (No. 100) off the list.

Food-service companies and grocery wholesalers and retailers continue to make up the biggest sector of the TT Private 100 with 26 entries, followed by agriculture and food processing companies (18), retail distribution firms (16), petroleum, chemical and gas companies (13), manufacturers (13), building materials and steel distributors (9) and paper and wood products companies (5).

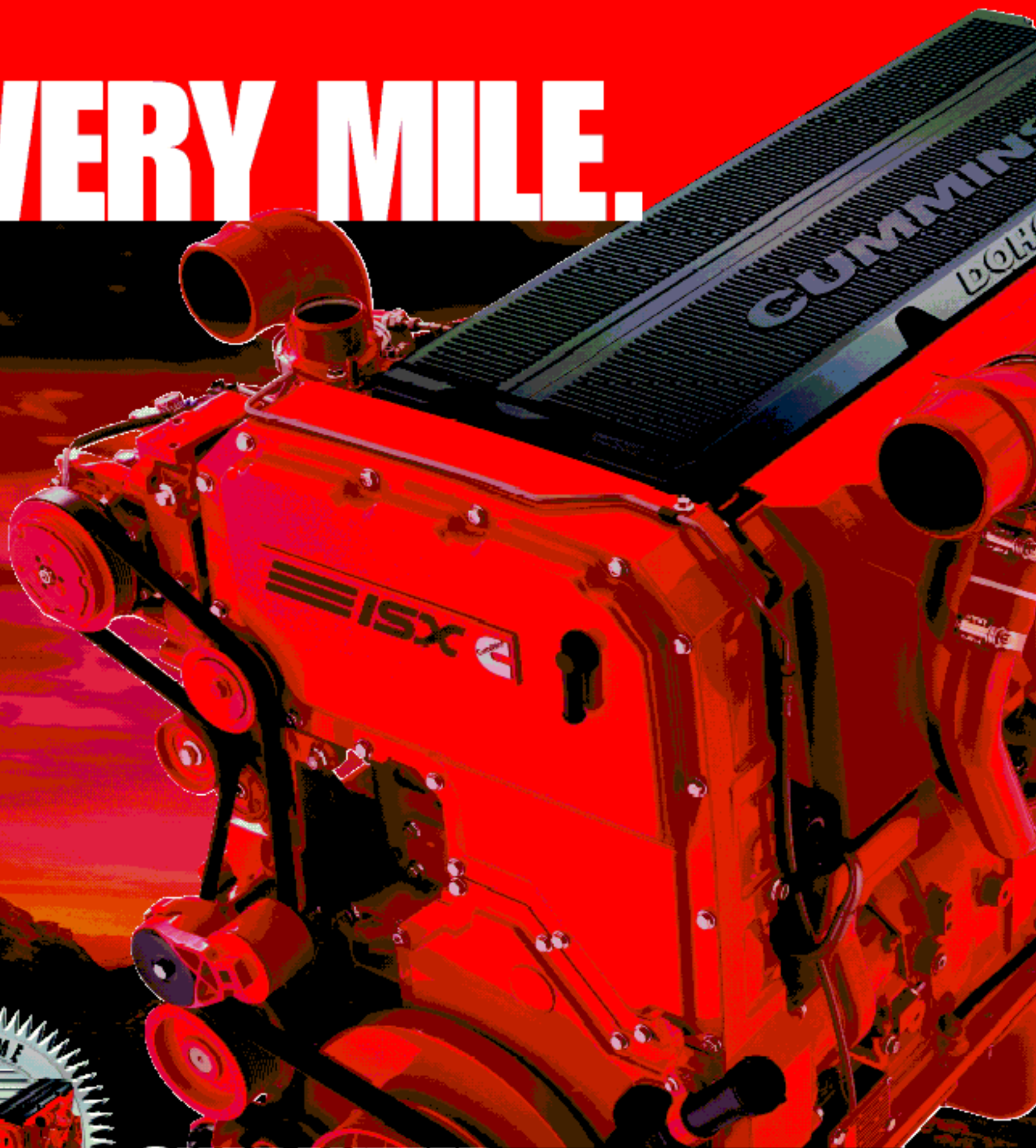
Information on the size of private carriers came from a variety of sources, including the 2004 Truck Fleet Directory published by American Trucking Associations, annual motor carrier reports filed with the Department of Transportation and the Federal Motor Carrier Safety Administration's motor carrier safety reporting system. In some cases, information was provided directly by company management or was drawn from other public sources.

Private carriers are ranked by the number of tractors they control because that is the best way to measure a shipper's capacity to haul freight. Excluded from the TT Private 100 are government, utility and vocational fleets, including beverage, farm and home fuel delivery fleets because of their specialized use.



RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
11	12	 <b>Albertsons Inc.</b> Boise, Idaho NYSE: ABS Clarence Gabriel, Executive Vice President, Supply Chain Management  <i>www.albertsons.com</i>	1,160 tractors 3,278 trailers	\$35.4 billion	Operates more than 2,500 food and drug stores under Albertsons, Albertsons-OSCO, Albertsons Sav-on, Jewel-OSCO, Acme, Grocery Warehouse, Sav-on Drugs, Sav-on Health.com, OSCO Drug, Max Foods, Super Saver and Seessel's in 37 states with 19 distribution centers. Albertsons acquired JS USA Holdings, operator of 2,500 Shaw's Supermarkets and Star Markets, in March 2004.
12	24	 <b>Pilgrim's Pride Corp.</b> Pittsburg, Texas NYSE: PPC Lonnie Ken Pilgrim, Director of Transportation  <i>www.pilgrimspride.com</i>	1,158 tractors 460 straight trucks 1,400 trailers	\$2.6 billion	Processes and distributes chickens and turkeys under the Pilgrim's Pride and Wampler Foods brands to retail stores and restaurants through 17 distribution centers in the U.S. and 13 in Mexico. The company also operates 37 processing plants, plus feed mills, hatcheries and about 4,000 growout farms in the U.S. and Mexico. Pilgrim's Pride acquired ConAgra Food's chicken division in November 2003.
13	17	 <b>Delhaize America</b> Salisbury, N.C. NYSE: DEG (Delhaize Group) Dennis McCoy, Vice President of Distribution  <i>www.delhaizegroup.com</i>	1,072 tractors 50 straight trucks 1,800 trailers	\$15.5 billion	Operates more than 1,500 supermarkets and six distribution centers in 16 states under the Food Lion, Hannaford Bros., Sweetbay Supermarket, Harvey's and Kash n' Karry Food Stores names.
14	13	 <b>Winn-Dixie Stores</b> Jacksonville, Fla. NYSE: WIN Richard Judd, Senior Vice President of Supply Chain  <i>www.winn-dixie.com</i>	995 tractors 1,500 trailers	\$12.1 billion	Operates 1,070 food and drug stores under the Winn-Dixie, Marketplace, Thriftway and City Markets names and SaveRite and Sack-and-Save warehouse outlets, plus 33 gas stations and 44 liquor stores in 12 states. Winn-Dixie also has 19 food processing plants and 16 distribution centers.
15	16	 <b>Shaw Industries</b> Dalton, Ga. NYSE: BRK.A (Berkshire Hathaway) Greg Whisenant, Transportation Safety Manager  <i>www.shawfloors.com</i>	901 tractors 52 straight trucks 3,075 trailers	\$4.7 billion	Manufactures carpets, rugs, hardwood, laminate and ceramic tile floors for residential and commercial purposes.
16	14	 <b>BOC Group</b> Murray Hill, N.J. NYSE: BOX (The BOC Group PLC, London) Michael Gentile, Vice President of Distribution and Logistics  <i>www.boc.com</i>	900 tractors 130 straight trucks 1,500 trailers	\$2.2 billion	Distributes industrial and specialty gases in bulk and in cylinders throughout North America.
17	Not Ranked	 <b>BlueLinx Corp.</b> (Cerberus Capital Management LP) Atlanta Chuck McElrea, Chief Executive Officer  <i>www.bluelinxco.com</i>	897 tractors and straight trucks	N/A	Distributes building products through 63 facilities in the U.S. and one in Canada. Company purchased the assets of the Georgia-Pacific building products distribution business in May 2004.
18	19	 <b>Smithfield Foods</b> Smithfield, Va. NYSE: SFD Tim Jordan, Director of Transportation  <i>www.smithfieldfoods.com</i>	823 tractors 117 straight trucks 1,415 trailers	\$9.2 billion	Produces and markets pork and beef products in the U.S. and more than 25 other countries under the Smithfield Packing Co., Farmland Foods (acquired October 2003), John Morrell & Co., Packerland Holdings, Gwaltney of Smithfield, Moyer Packing Co., Smithfield Deli Group, Patrick Cudahy, North Side Foods, Cumberland Gap Provision, Quik-to-Fix, Krakus Foods International, Stefano Foods and Smithfield RMH Foods names. Smithfield Foodservice Group formed in May 2003 to market Gwaltney and Smithfield Packing products. Smithfield sold its Canadian subsidiary, Schneider Corp., to Maple Leaf Foods in April 2004 and acquired Norwich Food Co. Ltd. and Ridpath Pek in the United Kingdom to form Smithfield Foods Ltd. in February 2004. <b>Murphy Brown LLC</b> raises hogs in the U.S., Mexico, Brazil and Poland.
19	21	<b>Reyes Holdings LLC</b> Rosemont, Ill. Don Van Witzenberg, Director of Fleet Operations  <i>no Web site</i>	777 tractors 60 straight trucks 1,069 trailers	\$4.2 billion	Distributes beer and food products and operates 35 distribution centers in the U.S. and six other countries. <b>The Martin-Brower Co.</b> distributes food and supplies to McDonald's restaurants in the U.S., Canada, Brazil, Central America and Puerto Rico. <b>Premium Distributors of Virginia, Chicago Beverage Systems</b> and <b>Harbor Distributing</b> distribute beer to wholesalers.
20	23	 <b>Darling International</b> Irving, Texas Amex, DAR Rodney Baldwin, Fleet Operations Manager  <i>www.darlingii.com</i>	700 tractors and straight trucks 1,700 trailers	\$324 million	Collects and recycles animal by-products and used cooking grease from approximately 80,000 restaurants, butcher shops, grocery stores and meat and poultry processors in the U.S. Products are sold for livestock feed, pet food and ingredients in soap, rubber and chemical products.
21	8	 <b>Supervalu Inc.</b> Minneapolis NYSE: SVU Gregory Heying, Senior Vice President of Distribution Ron Perrington, Director, Supply Chain  <i>www.supervalu.com</i>	681 tractors 1,110 stepvans 1,850 trailers	\$19.2 billion	Operates 1,483 retail grocery stores under the Save-A-Lot name and provides distribution and related logistics support services to other companies. <b>Advantage Logistics</b> provides supply chain consulting, transportation management and warehousing services.
22	27	 <b>Kellogg Snacks Division</b> (formerly Keebler Foods Co.) Battle Creek, Mich. NYSE: K (Kellogg Co.) Dennis Soch, Fleet Operations Manager  <i>www.keebler.com</i>	675 tractors 150 straight trucks 1,000 trailers	\$2.7 billion	Produces and distributes cookie and cracker products through its Keebler and Sunshine labels.














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RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
23	22	 <b>Leggett &amp; Platt Inc.</b> Carthage, Mo. NYSE: LEG John Erbes, Vice President of Transportation  <i>www.leggett.com</i>	650 tractors 1,300 trailers	\$4.4 billion	Manufacturers spring components for residential furniture and bedding, retail store fixtures, office furniture, die-cast products, steel tubing and wire, automotive seat support and lumbar systems and quilting machinery.
24	40	 <b>Prairie Farms</b> Carlville, Ill. Jay Naples, Corporate Fleet Manager  <i>www.prairiefarms.com</i>	600 tractors 1,100 straight trucks 1,600 trailers	N/A	Produces and distributes dairy and non-dairy products for about 800 member dairies and is managing partner for four joint venture dairy cooperatives: Hiland Dairy Foods, Roberts Dairy, Muller Pinehurst Dairy and Ideal American. <b>Ice Cream Specialties</b> manufactures and distributes frozen ice cream bars and sandwiches. <b>PFD Supply</b> distributes food and paper products to fast food outlets.
25	31	 <b>Univar USA</b> Kirkland, Wash. (Univar NV, Netherlands) Ed Higbee, National Fleet Manager  <i>www.univarus.com</i>	588 tractors 1,208 trailers	\$2.4 billion	Provides distribution services to chemical, coatings, electronics, food and pharmaceutical, forest products, mining, oil and gas, textiles and waste management industries.
26	18	 <b>Air Products &amp; Chemicals</b> Allentown, Pa. NYSE: APD W.K. Bender, North American Fleet Operations Manager  <i>www.airproducts.com</i>	585 tractors 72 straight trucks 1,845 trailers	\$6.3 billion	Produces and distributes industrial gases and chemicals for electronics and chemical processing industries worldwide.
27	30	 <b>Vistar Corp.</b> Centennial, Colo. (Wellspring Capital Management LLC) John Gardiner, Director of Logistics and Operations  <i>www.vistarvsa.com</i>	582 tractors 58 straight trucks 675 trailers	N/A	Distributes food and supplies to pizza and Italian restaurants, sandwich chains, theaters, commissaries, office coffee service and vending operations through 29 distribution centers. Vistar acquired Original Brand Foods in January 2004. <b>Vistar/VSA</b> distributes fund-raising products.
28	15	 <b>Weyerhaeuser Co.</b> Tacoma, Wash. NYSE: WY Peter Sherland, Vice President, Transportation  <i>www.weyerhaeuser.com</i>	570 tractors 180 straight trucks 2,500 trailers	\$19.9 billion	Grows and harvests timber, manufactures, distributes and sells wood products, pulp, paper and containerboard.
29	29	 <b>Gilster-Mary Lee Corp.</b> Chester, Ill. Michael Welge, Executive Vice President  <i>www.glistermarlylee.com</i>	555 tractors 1,583 trailers	N/A	Manufactures and distributes more than 500 private label products, including cereal, cake, cocoa, dinners, drink mixes, pasta and popcorn to grocery stores and food wholesalers. The company operates 14 production facilities.
30	25	 <b>Praxair Inc.</b> Danbury, Conn. NYSE: PX John Mitchell, National Manager of Distribution  <i>www.praxair.com</i>	550 tractors 1,050 trailers	\$5.6 billion	Supplies atmospheric, process and specialty gases, metal and ceramic coatings and related services and technologies to food and beverage, healthcare, semiconductor, petrochemical and metal fabrication industries. Praxair Distribution acquired United Welding Specialties in April 2004.
31	37	 <b>Reinhart Foodservice</b> La Crosse, Wis. Dave Olson, Operations Manager  <i>www.reinhartfoodservice.com</i>	550 tractors 600 trailers	N/A	Distributes food and beverages, utensils, glassware, paper supplies, cleaning chemicals, dry groceries, deli and bakery goods to 25,000 foodservice customers in 27 states. Reinhart operates 12 distribution centers. Reinhart acquired a distribution center in Louisville, Ky., from King Provision Corp. in February 2004.
32	32	 <b>Gordon Food Service</b> Grand Rapids, Mich. David Ponstein, Transportation Manager  <i>www.gfs.com</i>	530 tractors 107 straight trucks 1,008 trailers	\$3 billion	Manufactures and distributes food and related supplies to 30,000 restaurants, schools and institutions in 10 states and throughout Canada. The company operates 109 Marketplace retail stores in the Midwest and Florida.
33	26	 <b>Archer Daniels Midland</b> Decatur, Ill. NYSE: ADM Craig Huss, Vice President, Transportation  <i>www.admworld.com</i>	530 tractors 450 straight trucks 1,350 trailers	\$30.8 billion	Processes soybeans, corn, wheat and cocoa into soy meal and oil, ethanol, high-fructose corn syrup and flour at 275 processing plants worldwide. <b>ADM Trucking</b> transports agricultural commodities and products. <b>American River Transportation Co.</b> transports agricultural commodities by barge. <b>ADM Shipping</b> transports agricultural products by rail.
34	41	 <b>Ashley Furniture Industries</b> Arcadia, Wis. Larry Corey, Director of Transportation  <i>www.ashleyfurniture.com</i>	528 tractors 9 straight trucks 1,244 trailers	\$1.4 billion	Manufactures and distributes furniture and bedding and operates 90 Ashley HomeStores. <b>Ashley Distribution Services</b> operates as a for-hire truckload carrier.
35	33	 <b>Gold Kist</b> Atlanta Vic Vickers, Fleet Manager  <i>www.goldkist.com</i>	524 tractors 90 straight trucks 760 trailers	\$1.8 billion	Produces and distributes chicken products to retail, institutional and fast food customers.

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RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
<b>36</b> 	38	<b>Dot Foods</b> Mt. Sterling, Ill. John Tracy, President  <i>www.dotfoods.com</i>	511 tractors 2 straight trucks 650 trailers	\$1.4 billion	<b>DOT Transportation</b> distributes groceries, flatware and janitorial supplies from manufacturers to food processors and food service distributors.
<b>37</b> 	78	<b>Boise Cascade Corp.</b> Boise, Idaho NYSE: BCC Roger Olds, General Manager, Trucking  <i>www.bc.com</i>	491 tractors 943 straight trucks 958 trailers	\$8.3 billion	Manufactures and distributes paper, packaging and timber in North America, Australia, New Zealand and Brazil. Boise Office Solutions operates more than 1,000 OfficeMax and other retail stores.
<b>38</b> 	35	<b>Performance Food Group</b> Richmond, Va. Nasdaq: PFGC Dan Peckskamp, Director of Transportation  <i>www.pfgc.com</i>	457 tractors 39 trucks 593 trailers	\$5.5 billion	Distributes foodservice items to about 48,000 restaurants, hotels, cafeterias, schools and healthcare facilities. Customized Distribution division serves family and casual dining chains. Fresh-Cut Produce division supplies lettuce, fruits and vegetables to supermarkets, restaurants and foodservice operators.
<b>39</b>	Not Ranked	<b>MBM Corp.</b> Rocky Mount, N.C. Drewe Buck Abel Jr., Director of Corporate Transportation  <i>no Web site</i>	457 tractors and straight trucks	N/A	Delivers food to national restaurant chains, including Arby's, Burger King, Captain D's, Chick-fil-A, Red Lobster, Olive Garden and Bahama Breeze. The company operates 30 distribution centers in the U.S.
<b>40</b> 	86	<b>Food Services of America</b> Seattle (Services Group of America) Thomas Stewart, Chairman & CEO  <i>www.fsafood.com</i>	452 tractors 87 straight trucks 612 trailers	\$2.2 billion	Distributes food and business supplies to restaurants, hospitals and schools in 15 western and midwestern states through 10 distribution centers. Amerifresh supplies fresh fruits and vegetables. McCabe's Quality Foods supplies fast food and casual dining chain restaurants. S&P Meats supplies fresh and frozen boxed meats.
<b>41</b> 	62	<b>Foster Farms</b> Livingston, Calif. Mike Hoyt, Vice President of Services  <i>www.fosterfarms.com</i>	450 tractors 25 straight trucks 750 trailers	\$1.5 billion	Processes and distributes chicken and turkey products.
<b>42</b> 	Not Ranked	<b>C&amp;S Wholesale Grocers</b> Brattleboro, Vt. John McGonigle, Vice President of Transportation  <i>www.cswg.com</i>	450 tractors 18 straight trucks 2,200 trailers	\$9.7 billion	Distributes food and dry goods to about 4,000 supermarkets and grocery stores, mass marketers and wholesale clubs in the U.S. The company operates 36 facilities in 10 states. C&S acquired the wholesale business of Fleming Foods in August 2003. The company sold some former Fleming operations in the Midwest and acquired operations in New England from Supervalu Inc. in September 2003.
<b>43</b> 	85	<b>Exxon Mobil Corp.</b> Irving, Texas NYSE: XOM Bob Manchester, U.S. Fleet Manager  <i>www.exxonmobil.com</i>	449 tractors 252 straight trucks 445 trailers	\$213 billion	Engaged in the exploration, production, manufacture, transportation and sale of crude oil, natural gas and petroleum products. The company also manufactures petrochemicals, packaging films and specialty chemicals.
<b>44</b> 	50	<b>Land o' Lakes</b> Arden Hills, Minn. Roger Nordvedt, Transportation Manager  <i>www.landolakesinc.com</i>	430 tractors 170 straight trucks 1,000 trailers	\$6.3 billion	Manufactures and distributes milk, butter and cheese from more than 200 production and distribution facilities to supermarkets and food service companies. The company also supplies member cooperatives with feed, seed, plant food and crop protection products.
<b>45</b> 	39	<b>J.R. Simplot Co.</b> Boise, Idaho Bill Moad, Fleet Operations Manager  <i>www.simplot.com</i>	425 tractors 7 straight trucks 650 trailers	\$3.1 billion	Manufactures fertilizer and animal feed, veterinary products and grass seed, processes fruits and vegetables (potatoes especially) and supplies industrial chemicals, irrigation products and silica.
<b>46</b> 	46	<b>Cardinal Health</b> (Formerly Allegiance Health Care Group) Dublin, Ohio NYSE: CAH Kris Peterinelli, Private Fleet Manager  <i>www.cardinal.com</i>	411 tractors 79 straight trucks 535 trailers	\$50.5 billion	Manufactures and distributes medical, surgical, laboratory products as well as pharmaceuticals to 6,000 health care locations in the U.S.
<b>47</b> 	64	<b>Sunoco Inc.</b> Philadelphia NYSE: SUN Deborah Fretz, President, Sunoco Logistics  <i>www.sunocoinc.com</i>	411 tractors 113 straight trucks 272 trailers	\$15.9 billion	Refines and markets gasoline and petroleum products through 4,528 retail outlets and manufactures and sells products used in the production of fibers, plastics, film and resins, plus high-quality coke for use in the steel industry.
<b>48</b> 	7	<b>Georgia-Pacific Corp.</b> Atlanta NYSE: GP Robert Pugh, Vice President, Logistics and Transportation  <i>www.gp.com</i>	400 tractors 12 straight trucks 500 trailers	\$20.3 billion	Manufactures and distributes bathroom tissue, disposable paper cups and plates, paper towels, container board and packaging, plywood, lumber, gypsum wallboard, particleboard, bleached pulp and paper, adhesives and chemicals.















RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
<b>49</b>	47	 <b>Ashland Inc.</b> Covington, Ky. NYSE: ASH Suzanne Taleghani, Vice President, Logistics and Purchasing  <a href="http://www.ashland.com">www.ashland.com</a>	393 tractors 703 trailers	\$7.5 billion	<b>Ashland Paving and Construction</b> operates 96 aggregate production facilities, 65 ready-mix concrete plants and 239 hot-mix asphalt plants. <b>Ashland Distribution</b> supplies paint and coatings, chemicals, solvents, adhesives and sealants, plastic resins, and ingredients for food and beverages, cosmetics, personal care and pharmaceuticals. <b>Ashland Specialty Chemicals</b> produces chemicals for water treatment, automotive, metal casting, marine, paint, paper and plastics industries. <b>Valvoline</b> produces and distributes motor oil, antifreeze and car care products and operates 600 Valvoline Instant Oil Change outlets.
<b>50</b>	42	 <b>Nestlé USA</b> Glendale, Calif. OTC: NSRGY (Nestlé SA, Switzerland) Richard Chavez, National Fleet Manager, Nestlé Waters  <a href="http://www.nestleusa.com">www.nestleusa.com</a>	378 tractors 2,418 straight trucks 1,189 trailers	\$12 billion	Manufactures and distributes food, beverage and pet care products, including Nestea and Taster's Choice, Carnation, Alpo, Friskies, Libby's and Stouffer's. <b>Nestlé Waters North America</b> distributes domestic and imported bottled water under a variety of names, including Perrier, Poland Spring and Deer Park.
<b>51</b>	52	 <b>Rinker Materials Corp.</b> West Palm Beach, Fla. (Rinker Group Ltd., Australia) Jim Jenkins, Manager, Rinker Transport  <a href="http://www.rinkermaterials.com">www.rinkermaterials.com</a>	375 tractors 146 trailers	\$2.5 billion	Produces and distributes construction materials, such as ready-mix concrete, cement, drywall and concrete blocks. <b>Rinker Transport, New Line Transport and Tri State Carriers</b> provide private and for-hire trucking services.
<b>52</b>	Not Ranked	 <b>Army &amp; Air Force Exchange Service</b> Dallas Department of Defense George Carpenter, Director of Fleet Operations  <a href="http://www.aafes.com">www.aafes.com</a>	368 tractors 19 straight trucks 1,158 trailers	\$7.1 billion	Operates post and base exchanges around the country featuring stores, restaurants, movie theaters, gas stations and other conveniences.
<b>53</b>	54	 <b>Ace Hardware Corp.</b> Oak Brook, Ill. Paul Motylinski, Director, Distribution and Transportation  <a href="http://www.acehardware.com">www.acehardware.com</a>	365 tractors and straight trucks	\$3.2 billion	Distributes hardware and related products to 4,800 member stores and manufactures paint products. The company operates 25 distribution facilities.
<b>54</b>	48	 <b>H.E. Butt Grocery Co.</b> San Antonio, Texas Sam Medrano, Director, Transportation  <a href="http://www.heb.com">www.heb.com</a>	355 tractors 1,194 trailers	\$10.7 billion	Operates more than 300 grocery stores in Texas, Louisiana and Mexico under the H-E-B, Central Market and Pantry Foods names. The company also processes meat, dairy products, bread and tortillas.
<b>55</b>	43	 <b>Air Liquide America</b> Houston OTC: AIQY (L'Air Liquide SA, Paris) Rick Pedersen, Director of Bulk Distribution and Logistics  <a href="http://www.airliquide.com">www.airliquide.com</a>	352 tractors 68 straight trucks 1,278 trailers	\$2.3 billion	Supplies industrial and medical gases and related services to the steel and oil refining, chemistry and glass, electronics and paper, metallurgy and food processing, healthcare and aerospace industries. Air Liquide acquired Messer Griesheim's industrial gas activities in the U.S., United Kingdom and Germany in May 2004. Air Liquide sold some liquid gas and distribution activities in the U.S. to Matheson Tri-Gas Inc. in June 2004.
<b>56</b>	53	 <b>NCI Building Systems</b> Houston NYSE: NCS Larry Dean, Fleet Manager  <a href="http://www.ncilp.com">www.ncilp.com</a>	350 tractors 150 straight trucks	\$898 million	Manufactures and distributes metal components for building construction from 35 facilities in 16 states and Mexico. The company also produces pre-engineered metal building systems, supplies metal roofs and provides metal coating and painting services.
<b>57</b>	71	 <b>Foamex International</b> Linwood, Pa. Nasdaq: FMXI Thomas Depcik, Director, Corporate Transportation  <a href="http://www.foamex.com">www.foamex.com</a>	343 tractors and straight trucks	\$1.3 billion	Produces cushioning for bedding, furniture, carpet and automotive markets and manufactures polymers for applications in industrial, aerospace, defense, electronics and computer industries.
<b>58</b>	Not Ranked	 <b>Savage Cos.</b> Salt Lake City Allen Alexander, President  <a href="http://www.savagecompanies.com">www.savagecompanies.com</a>	335 tractors 203 straight trucks 684 trailers	N/A	Develops and operates materials management, transportation and related systems for mining, energy and utility companies. <b>Savage Services Corp.</b> operates as a for-hire carrier.
<b>59</b>	60	 <b>Bunzl Distribution</b> St. Louis NYSE: BNL (Bunzl PLC, London) Rick Castetter, Vice President, Distribution & Warehousing  <a href="http://www.bunzldistribution.com">www.bunzldistribution.com</a>	328 tractors 32 straight trucks 420 trailers	\$4.2 billion	Supplies disposable plastic and paper packaging supplies for customers in the retail grocery, foodservice, food processing, janitorial, manufacturing and healthcare industries in the U.S., Puerto Rico, Canada and parts of Mexico. The company operates 70 warehouses.
<b>60</b>	Not Ranked	 <b>Tru-Serv Corp.</b> Chicago Rich Buchanan, Director, Outbound Transportation  <a href="http://www.truserv.com">www.truserv.com</a>	323 tractors 1 straight truck 1,219 trailers	\$2 billion	Distributes hardware, garden and nursery products, provides rental services and manufactures and sells paint and applicators to 6,200 independent stores through 12 distribution centers.
<b>61</b>	56	 <b>The Sherwin-Williams Co.</b> Cleveland NYSE: SHW Sam Hanania, Director of Transportation  <a href="http://www.sherwin-williams.com">www.sherwin-williams.com</a>	320 tractors 1,054 trailers	\$5.4 billion	Manufactures paint, finishes, coatings and varnishes under the Dutch Boy, Red Devil, Martin-Senour, Krylon, Sherwin-Williams and Minwax names. The company also operates more than 2,650 retail paint stores in North America. Sherwin-Williams acquired paint manufacturer Duron Inc. in May 2004.

RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
62	36	 <b>Kraft Foods</b> Northfield, Ill. NYSE: KFT Philip Carlson, Senior Director, Transportation  <i>www.kraft.com</i>	320 tractors 2,423 straight trucks 1,000 trailers	\$31 billion	Manufactures and sells Kraft cheese, Jacobs and Maxwell House coffee, Nabisco cookies and crackers, Philadelphia cream cheese, Oscar Mayer meats, Post cereals and Milka chocolates in the U.S. and more than 150 countries.
63	58	 <b>Advanced Drainage Systems</b> Hilliard, Ohio Dale Mitchell, Manager of Freight Operations  <i>www.ads-pipe.com</i>	315 tractors 81 straight trucks 490 trailers	N/A	Manufactures polyethylene pipe for agricultural, waste management, mining, timber, residential and highway drainage markets.
64	51	 <b>Genuine Parts Co.</b> Atlanta NYSE: GPC Larry Prince, Chairman & CEO  <i>www.genpt.com</i>	310 tractors 468 straight trucks 885 trailers	\$8.2 billion	Distributes automotive and industrial replacement parts, office products and electrical/electronic materials through NAPA Automotive Parts Group, EIS, Com-Kyl, Circuit Supply, Lamination Co. of America, the S.P. Richards Co. and Motion Industries.
65	28	 <b>McKee Foods Corp.</b> Collegedale, Tenn. Chris McKee, President, McKee Foods Transportation  <i>www.mckeefoods.com</i>	310 tractors 549 trailers	\$978 million	Manufactures and distributes snack cakes and granola cereal products to independent wholesale distributors from three production facilities.
66	Not Ranked	 <b>Flying J Inc.</b> Ogden, Utah Zane Atkinson, Vice President and General Manager  <i>www.flyingj.com</i>	310 tractors 15 straight trucks 350 trailers	\$5.6 billion	Engaged in exploration, production, refining, transportation and marketing of petroleum products. The company also has 165 travel plazas and fuel stops in 41 states and three provinces in Canada. Related companies offer financial services, insurance, communications services, freight information exchange, truck fleet sales and other services.
67	61	 <b>CHS Inc.</b> (Formerly Cenex Harvest States Cooperative) Nasdaq: CHSCP Inver Grove Heights, Minn. Kelly Morrow, Director, CHS Transportation  <i>www.chsinc.com</i>	302 tractors 1,871 straight trucks 909 trailers	\$9.4 billion	Operates petroleum refineries and pipelines and supplies fertilizer and crop protection products, markets grain and processes soybeans for use in food and animal feed, produces flour for pasta and bread and makes tortillas, margarine, salad dressings, sauces and vegetable oils. CHS operates 14 transportation fleet service centers. The company purchased a 50% interest in agricultural chemical producer Agrilance LLC from Farmland Industries in April 2004.
68	57	 <b>Rite Aid Corp.</b> Camp Hill, Pa. NYSE: RAD Wilson Lester Jr., Senior Vice President of Supply Chain  <i>www.riteaid.com</i>	292 tractors 489 trailers	\$16 billion	Operates 3,404 drug stores in 28 states and the District of Columbia.
69	69	 <b>Roundy's Inc.</b> (Willis Stein & Partners) Milwaukee Russ Weber, Director of Transportation  <i>www.roundys.com</i>	278 tractors 829 trailers	\$4.4 billion	Distributes food products to more than 800 supermarkets in 14 states from nine distribution centers. The company also operates 115 supermarkets under the Rainbow Foods, Pick 'n Save and Cops Food Centers names in Minnesota and Wisconsin.
70	75	 <b>AutoZone Inc.</b> Memphis, Tenn. NYSE: AZO William Rhodes III, Senior Vice President Supply Chain  <i>www.autozone.com</i>	271 tractors 498 trailers	\$5.5 billion	Sells auto and light truck parts, chemicals and accessories through more than 3,300 stores in 48 states and Mexico and sells automotive diagnostic and repair software. AutoZone purchased assets of ABC Discount Auto Parts in April 2004.
71	65	 <b>Carpenter Co.</b> Richmond, Va. Douglas Young, Director of Transportation  <i>www.carpenter.com</i>	270 tractors 50 straight trucks 1,100 trailers	\$1.1 billion	Manufactures and distributes polyurethane foam and polyester fiber used by automotive, bedding, floor covering and furniture industries. The company also makes air filter media, polystyrene building materials and consumer fiber products.
72	59	 <b>Vulcan Materials</b> Birmingham, Ala. NYSE: VMC Gregory Stevenson, Fleet Operations Manager  <i>www.vulcanmaterials.com</i>	269 tractors 54 straight trucks 275 trailers	\$2.9 billion	Produces crushed stone, sand and gravel and manufactures caustic soda, chlorine and other industrial and specialty chemicals.
73	97	 <b>Bridgestone Americas Holding</b> Nashville, Tenn. (Bridgestone Corp., Tokyo) Ron Tartt, General Manager, Private Fleet  <i>www.bridgestone-firestone.com</i>	265 tractors and straight trucks	\$8.2 billion	Bridgestone/Firestone North Americas Tire manufactures Bridgestone, Firestone, Dayton and private-brand tires for cars, trucks, motorcycles, tractors and earthmoving equipment, plus air springs, roofing materials, synthetic rubber and industrial fibers. BFS Retail & Commercial Operations operates more than 2,200 consumer and commercial tire and vehicle service centers in the U.S. and Canada.

# Private Carriers

RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
<b>74</b>	82	 <b>Trinity Industries</b> Dallas NYSE: TRN Patrick Turner, President, Trinity Industries Transportation  <a href="http://www.trinitytrucking.com">www.trinitytrucking.com</a>	261 tractors 750 trailers	\$1.4 billion	Manufactures rail cars, inland barges, structural steel beams and construction materials, pipe fittings, highway guard rails and containers for storing and transporting liquefied petroleum gas and fertilizer.
<b>75</b>	73	 <b>Sanderson Farms</b> Laurel, Miss. Nasdaq: SAFM Joe Stianche, Fleet Manager  <a href="http://www.sandersonfarms.com">www.sandersonfarms.com</a>	251 tractors 24 straight trucks 320 trailers	\$872 million	Produces, processes and sells fresh and frozen chickens and prepared food items to retailers, distributors and fast food operators. Foods Division sells frozen entrees and other specialty food products to distributors, restaurants and retailers.
<b>76</b>	74	 <b>Hulcher Services</b> Denton, Texas Lawrence Hartung, Director of Transportation  <a href="http://www.hulcher.com">www.hulcher.com</a>	250 tractors 14 straight trucks 250 trailers	N/A	Provides emergency response to incidents involving hazardous materials, train derailments and other emergency situations.
<b>77</b>	72	 <b>Emerson Electric Co.</b> Bridgeton, Mo. NYSE: EMR Lawrence Kremen, Vice President, Logistics  <a href="http://www.emersontransportation.com">www.emersontransportation.com</a>	245 tractors 950 trailers	\$14 billion	Sells industrial automation systems, electronics and telecommunications, power management and heating, ventilating, air conditioning, and refrigeration products with 380 manufacturing locations in more than 150 countries. <b>Emerson Transportation</b> operates as a private and contract carrier.
<b>78</b>	63	 <b>Johnson Controls</b> Milwaukee NYSE: JCI Christy Koyet, National Fleet Manager  <a href="http://www.johnsoncontrols.com">www.johnsoncontrols.com</a>	244 tractors and straight trucks	\$22.6 billion	Supplies seating, interior consoles and instrument panels and batteries for the automotive industry, building control systems and energy and facility management services.
<b>79</b>	77	 <b>USFilter Corp.</b> Palm Desert, Calif. NYSE: VE (Veolia Environnement, Paris) Brett Quigley, Corporate Fleet Director  <a href="http://www.usfilter.com">www.usfilter.com</a>	238 tractors 1,502 straight trucks 1,093 trailers	\$1.3 billion	Provides water and wastewater treatment equipment and services for municipal, industrial and residential customers. Veolia Environnement agreed to sell U.S. Filter Corp.'s systems and services businesses to Siemens I&S Group in May 2004.
<b>80</b>	91	 <b>Building Materials Holding Corp.</b> San Francisco Nasdaq: BMHC  <a href="http://www.bmhc.com">www.bmhc.com</a>	237 tractors 160 straight trucks 440 trailers	\$1.2 billion	Provides building materials and construction services. BMC West operates about 60 retail building material centers in the western U.S.
<b>81</b>	67	 <b>Toys "R" Us Inc.</b> Paramus, N.J. NYSE: TOY Larry Monaghan, Director of Fleet Operations  <a href="http://www.tru.com">www.tru.com</a>	235 tractors 2,400 trailers	\$11.6 billion	Operates about 1,500 stores worldwide selling toys, games, sporting goods, baby products, children's apparel and juvenile furniture under the Toys "R" Us, Geoffrey's Toys "R" Us, Babies "R" Us and Toysrus.com names.
<b>82</b>	84	 <b>Integriss Metals</b> Minneapolis (Alcoa Inc. and BHP Billiton Group joint venture) Rollie Mueller, Corporate Manager of Transportation  <a href="http://www.integrismetals.com">www.integrismetals.com</a>	235 tractors 40 straight trucks 226 trailers	\$1.3 billion	Distributes aluminum, stainless steel, alloy steel, brass and copper, carbon steel and building products to more than 35,000 customers in the transportation, building and construction, machinery and equipment and general manufacturing markets. The company operates about 90 distribution centers.
<b>83</b>	80	 <b>Earle M. Jorgensen Co.</b> Lynwood, Calif. Brian Yamaguchi, Manager of Transportation and Logistics  <a href="http://www.emjmetals.com">www.emjmetals.com</a>	234 tractors 262 trailers	\$1 billion	Distributes steel and aluminum bars, tubing and pipe, structural, plate and sheet metal products for automotive, agriculture, chemical, medical, oil, defense, food, petrochemical and machinery manufacturing industries. The company operates 34 steel service centers in the U.S. and Canada.
<b>84</b>	55	 <b>BP Corp. North America</b> Chicago NYSE: BP (BP PLC, London) James Cundy, National Transport Manager  <a href="http://www.bp.com">www.bp.com</a>	232 tractors 39 straight trucks 311 trailers	\$233 billion	Produces, refines and markets oil and gas and has subsidiaries in the chemical, exploration, gas and power and solar industries worldwide. BP operates five refineries and 14,700 gas stations in the U.S. and 23 refineries and 27,800 gas stations worldwide.
<b>85</b>	Not Ranked	 <b>Hy-Vee Inc.</b> West Des Moines, Iowa Jon Fehrer, Fleet Operations Manager  <a href="http://www.hy-vee.com">www.hy-vee.com</a>	230 tractors 128 trailers	\$4.2 billion	Operates more than 216 supermarkets and Drug Town pharmacies in seven midwestern states. The company operates two distribution centers and owns other companies that sell salads and meat specialties, flowers and plants, pharmaceutical products for nursing homes, meat, fish and seafood, ice cream and business services, including construction, banking and advertising, public relations and marketing.
<b>86</b>	81	 <b>Tree of Life</b> St. Augustine, Fla. (Koninklijke Wessanen, Netherlands) Mark Sineath, Vice President, Corporate Transportation  <a href="http://www.treeoflife.com">www.treeoflife.com</a>	226 tractors 103 trucks 258 trailers	\$1.5 billion	Distributes natural foods and supplements to more than 15,000 retail stores in the U.S. and Canada through 16 distribution facilities.



RANK 2003	RANK 2002	COMPANY	2003 EQUIPMENT	ANNUAL SALES	DESCRIPTION OF BUSINESS
<b>87</b>	90	<b>Huttig Building Products</b> Chesterfield, Mo. NYSE: HBP Michael Hasik, Director of Transportation <i>www.huttig.com</i>	220 tractors 142 straight trucks 407 trailers	\$909 million	Distributes building products used in new residential construction and in home improvement remodeling and repair work through 55 distribution centers.
					
<b>88</b>	87	<b>Owens-Minor Inc.</b> Richmond, Va. NYSE: OMI Thomas Consedine, Director of Transportation and Logistics <i>www.owens-minor.com</i>	213 tractors 73 straight trucks 248 trailers	\$4.2 billion	Distributes medical and surgical supplies to about 4,000 health care providers from 41 distribution centers.
					
<b>89</b>	83	<b>Domino's Pizza</b> Ann Arbor, Mich. NYSE: DPZ Robert Bredlow, National Transportation Director <i>www.dominos.com</i>	212 tractors 4 straight trucks 248 trailers	\$4.2 billion	Provides pizza delivery service to more than 7,400 stores in the U.S. and more than 50 other countries.
					
<b>90</b>	89	<b>Associated Wholesale Grocers</b> Kansas City, Kan. David Grisso, Director of Transportation <i>www.awginc.com</i>	210 tractors 450 trailers	\$3.7 billion	Distributes grocery products and provides merchandising support services to more than 1,400 member-owned stores under the Country Mart, Price Chopper, Price Mart, Cash Saver, Sun Fresh, Thirtway and Apple Market names. AWG also operates Falley's and Food 4 Less stores in Kansas and Missouri and 45 Homeland stores in Oklahoma.
					
<b>91</b>	44	<b>Perdue Farms</b> Salisbury, Md. Larry Brown, Director of Logistics <i>www.perdue.com</i>	200 tractors 680 trailers	\$2.7 billion	Produces chicken and turkey food products for supermarkets and grocery stores and markets poultry products nationwide. The Grain & Oilseed Division operates soybean crushing plants, protein conversion plants, ingredient blending operations, edible oil refineries and grain export and storage facilities. <b>Perdue Transportation</b> delivers fresh poultry to stores.
					
<b>92</b>	92	<b>Andersen Corp.</b> Bayport, Minn. Rita Knoll, Corporate Fleet and Safety Manager <i>www.andersencorp.com</i>	196 tractors 134 straight trucks 467 trailers	\$2 billion	Manufactures and distributes wood windows and doors from 32 plants to more than 1,400 dealers.
					
<b>93</b>	93	<b>Dawn Food Products</b> Jackson, Mich. Tony Benjamin, Transportation Manager <i>www.dawnfoods.com</i>	193 tractors 17 straight trucks 191 trailers	\$750 million	Provides pre-baked and fully baked goods and merchandising support services to foodservice companies, bakeries, restaurants, retail stores and supermarkets in the U.S. and 13 other countries. Dawn acquired the bakery business of Bunge North America in December 2003 and now operates 14 manufacturing facilities and 19 distribution centers in North America.
					
<b>94</b>	Not Ranked	<b>ConAgra Foods</b> Omaha, Neb. NYSE: CAG Dave Balint, Director, Private Fleet Operations <i>www.conagrafoods.com</i>	192 tractors 3,300 straight trucks 329 trailers	\$19.8 billion	Produces packaged, frozen and refrigerated foods and provides seasonings, dehydrated vegetables and milled ingredients such as flour and oats. ConAgra Foodservice Co. provides food products and services to restaurants, food service companies and vending machines. ConAgra Deli produces and markets bulk and pre-sliced meat and cheeses, Mexican food, potatoes and food preparation items. ConAgra sold its United Agri Products agriculture chemicals business to Apollo Management in December 2003.
					
<b>95</b>	88	<b>O'Neal Steel</b> Birmingham, Ala. Harry Clark, Traffic Manager <i>www.onealsteel.com</i>	191 tractors 12 straight trucks 360 trailers	\$770 million	Processes and distributes steel and aluminum, tubing and bars from 39 locations.
					
<b>96</b>	94	<b>Griffin Industries</b> Cold Springs, Ky. Don Kist, Fleet Manager <i>www.griffinind.com</i>	191 tractors 298 straight trucks 848 trailers	N/A	Collects and recycles animal processing byproducts and used cooking oil for use in animal feeds, fertilizer, tanned leather, industrial oils and fats and biodiesel fuel.
					
<b>97</b>	Not Ranked	<b>Wayne Farms</b> Oakwood, Ga. (ContiGroup Companies) Jim Galen, Fleet Operations Supervisor <i>www.waynefarmsllc.com</i>	189 tractors and straight trucks	N/A	Produces and processes poultry for industrial, institutional and foodservice companies.
					
<b>98</b>	95	<b>Grocers Supply Co.</b> Houston Kinney Noe, Fleet Manager <i>www.grocersupply.com</i>	189 tractors 831 trailers	\$1.5 billion	Distributes food, health and beauty items, household products and school and office supplies to 1,200 convenience stores, 650 grocery stores and 200 schools in Texas. Grocery Supply International division distributes supplies to offshore oil operations and U.S. embassies.
					
<b>99</b>	34	<b>Batesville Casket Co.</b> Batesville, Ind. NYSE: HB (Hillenbrand Industries) Chris Ruberg, Vice President Logistics <i>www.batesville.com</i>	175 tractors 400 straight trucks 550 trailers	\$628 million	Produces burial caskets, cremation products and funeral service support programs. <b>Batesville Logistics</b> provides for-hire trucking services.
					
<b>100</b>	Not Ranked	<b>PPG Industries</b> Pittsburgh NYSE: PPG Robert Bowles, Director of Distribution <i>www.ppg.com</i>	175 tractors 17 straight trucks 410 trailers	\$8.8 billion	Produces coatings, automotive and flat glass, adhesives and sealants, fiberglass for reinforced plastics, chemicals and paints at 50 plants in the U.S. and 120 plants worldwide.
					

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## Market Tempts Managers To Build Internal Capacity

(Continued from p. 3)

As an example, Petty cited a mid-western food distributor that recently took control of a 40-truck fleet that had been outsourced four years ago. Another national retailer has projected tripling the size of its fleet, he said.

There was a renewed appreciation among corporate management for the role that private fleets play in preserving shareholder value, Petty said.

A private truck fleet and its drivers can provide a high level of customer service that is "hard to separate from the product itself," he said.

While private fleet managers may have reached a consensus in diagnosing a problem, there is no agreement on how to solve it. Weyerhaeuser's Trantham said that expanding a private fleet is not necessarily an easy call to make.

He said that in the early 1990s Weyerhaeuser had a fleet of more than 1,200 tractors and straight trucks and employed more than 1,300 drivers at 125 locations across the country. Now the company has about 750 tractors and trucks and about the same number of drivers.

"We're hesitant to go back because of workers' compensation," Trantham said. "There's liability, and when you're a big company you're a target." Getting drivers would also be a challenge, as in the past, he said.

"I recall in the late 1960s having trouble getting drivers for logging trucks. We didn't go out and hire people. We had to cultivate them. It's the same today, except on a bigger scale. If the capacity isn't there, you have to grow it."

Over the long term, though, few transportation industry analysts expect to see a change in the tendency of shippers to outsource freight transportation.

"People don't want to be in the trucking business," said Kenneth Kremer, a principal with Global Insight's Industry Practices Group and co-author of American Trucking Associations' U.S. Freight Transportation Forecast. "It makes sense to add a little capacity now, but I don't think over the longer pull that will continue."

Private carrier freight volume is expected to grow at an annual rate of 2.4% through 2014, according to the ATA freight forecast, but private carriers' share of truck freight is expected to contract slightly — to 50% in 2015 from 51% in 2003.

As the economy expands, though, Kremer said both for-hire and private carriers would be hard-pressed to keep up with the demand because of problems finding drivers and inadequate investment in equipment and infrastructure to handle more freight over the road and on the railroads.

While demand for dedicated contract carriage is expected to remain strong, some experts are questioning the wisdom of relying on a handful of outside carriers to provide freight-hauling capacity.

"Years ago, corporate America embraced a core-carrier system for managing its truckload carrier base," said Jeffrey Tucker, chief executive

officer of Tucker Co., a Cherry Hill, N.J., freight brokerage, in a recent letter to clients.

"The theory was: Reduce the group of carriers as low as possible, get better pricing, improved service and lower administrative overhead. Unfortunately, many of these programs had inherent problems."

The first problem was that many shippers tended to contract with the same few carriers, "so when the economy picked up, or a bigger shipper gets busy, the supply of trucks dries up fast."

Secondly, Tucker said, "All carriers are great in certain lanes, but no truckload carrier is great in all lanes. Many of today's largest shippers are suffering from trimming back too far on the number of providers they use."

A third problem, as Tucker sees it, is that most core carrier programs exclude freight brokerage, which limits access to capacity provided by smaller trucking companies and owner-operators who are primary customers of brokerage firms.

Contract carriers say demand for service continues to grow.

"Our clients are pushing us . . . to take more [freight]," said Anthony Berritto, owner of SalSon Logistics in New Jersey.

"It's like a shark feeding frenzy. I see it staying strong into 2005."

SalSon specializes in making store deliveries for retailers and so far in 2004, the company's over-the-road truckload business is up 70% and local delivery is up 75%, Berritto said.

A recent survey of food distributors shows that while a majority of grocers operate private fleets, an increasing number of companies use third-party logistics companies, contract carriers, leased operations or owner-operators as their primary method of operation.

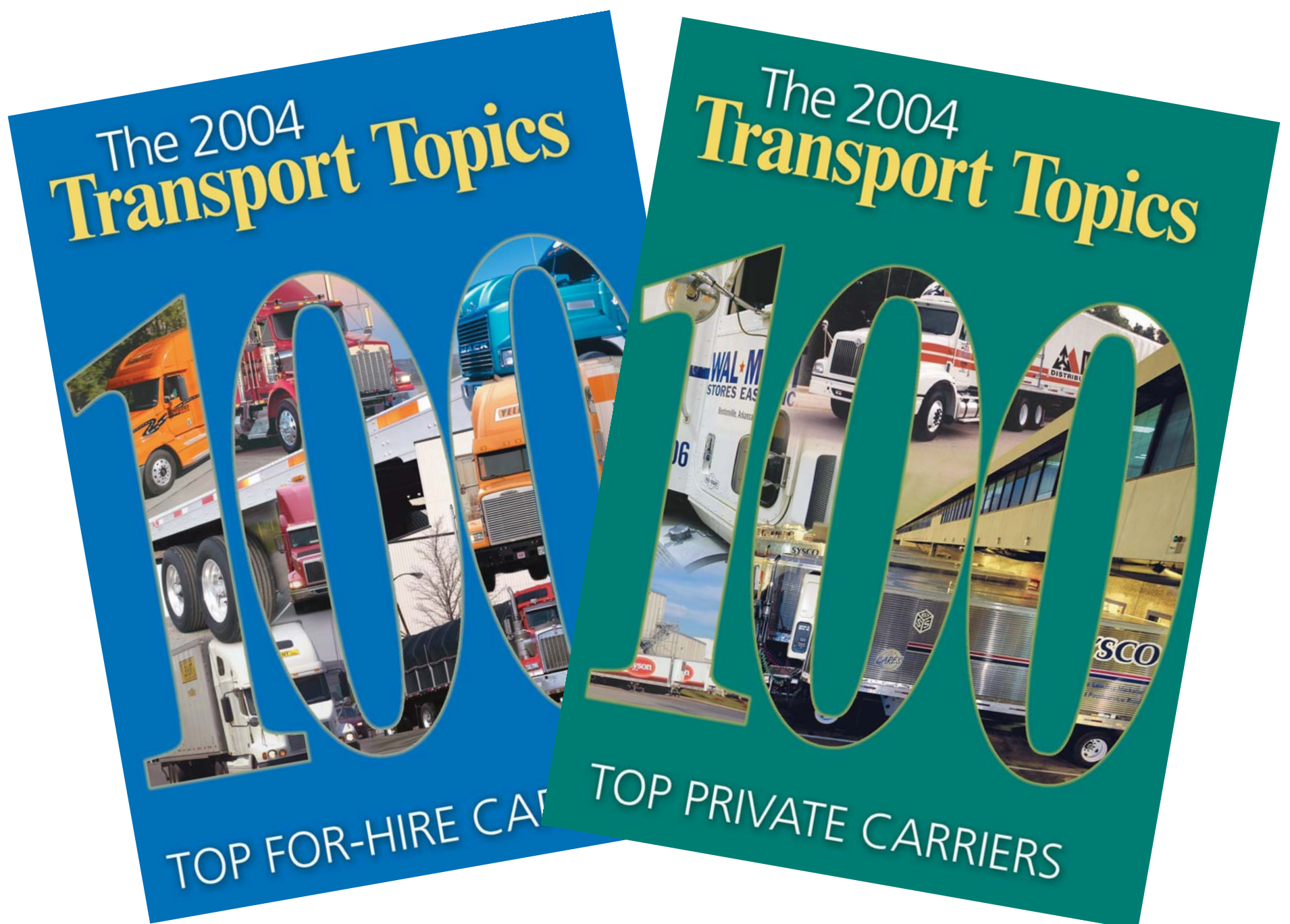
In the survey, food industry consultant Richard Kochersperger said the number of respondents operating private fleets with in-house maintenance facilities was 52% in 2003 compared with 44% in 2002. At the same time, 28% of respondents said they used third-party logistics providers in 2003, compared with 27% in 2002.

The number who said they used contract carriage was 27%, compared with 21%, and companies that said they used owner-operators increased to 8% from 7%.

Companies that said they used customer pickup decreased to 16% in 2003 from 17% in 2002. Private lease operations fell to 10% from 13%. Full-service lease operations dipped to 12% from 13%. And the use of common carriers declined to 4% from 6%.

"The entire food industry is critically analyzing the transportation function," Kochersperger said in a summary of the 2003 Food Industry Transportation and Fleet Maintenance Report. "Wall Street exerts tremendous pressure to invest capital into resources that yield increased sales and profits. As a result, many firms are minimizing the amount of funds directed to transportation equipment. Many distributors also seek to reduce labor costs by outsourcing the driving function."

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